

# Chapter Summary

**networks**

## Industrialization, 1865–1901

### ESSENTIAL QUESTION

*How did the United States become an industrialized society after the Civil War?*

This chapter explains the reasons for industrialization and the growth of big business as well as their effects on the workplace.

### The Rise of Industry

- The United States had abundant natural resources of timber, oil, and other minerals.
- The country had a cheap immigrant labor force to fill the millions of jobs.
- Thomas Alva Edison and George Westinghouse founded companies that supplied electricity to New York City and Buffalo.
- Alexander Graham Bell revolutionized communication by inventing the telephone.
- High tariffs reduced the import of foreign goods.

### The Railroads

- The first transcontinental railroad was completed in 1869.
- Rail networks united regions and stimulated economic growth.
- Cornelius Vanderbilt and James Hill consolidated and built lines from the East to the West.
- The great wealth of railroad entrepreneurs led to corruption by some.

### Big Business

- The growth of big business led to the development of pools, trusts, holding companies, and monopolies.

- The practices of some big businesses in some cases limited competition.
- Small businesses could not compete with economies of scale and large businesses.
- Retailers sold directly to consumers and relied heavily on advertising.
- Andrew Carnegie began the vertical integration of the steel industry.
- John D. Rockefeller achieved almost complete horizontal integration with his company, Standard Oil.

### Unions

- Low wages, long hours, and dangerous working conditions were common in large-scale industries.
- The first large unions formed but had little bargaining power against larger companies.
- Unions often used strikes to improve working conditions and wages.
- The Knights of Labor opposed strikes in favor of arbitration and boycotting.
- The American Federation of Labor became the biggest union in the country by 1900.
- Women made strides in the workplace with labor leaders, such as Mary Harris Jones.